

Message Text

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ORIGIN EB-07

INFO OCT-01 ISO-00 /008 R

66612

DRAFTED BY: EB: JMDERHAM

APPROVED BY: EB: JMDERHAM

DIST: EB (ONLY), ISO

----- 003832

O 010032Z JUL 75

FM SECSTATE WASHDC

TO USMISSION OECD PARIS IMMEDIATE

C O N F I D E N T I A L STATE 154758

FOR ENDERS AND JULIUS KATZ

FOLLOWING REPEAT TRIPOLI 0741 ACTION SECSTATE INFO ABU DHABI ACCRA
ALGIERS ANKARA BEIRUT BELGRADE BRASILIA BUENOS AIRES CARACAS JAKARTA
JIDDA KINSHASA KUWAIT LAGOS LONDON MADRID NASSAU PARIS QUITO ROME
TEHRAN TUNIS VALLETTA VIENNA 26 JUN 75

QUOTE

C O N F I D E N T I A L TRIPOLI 0741

BEIRUT PASS BAGHDAD

E.O. 11652: GDS

OXAGS: EALR, ENRG, LY

SUBJECT: WHO ARE LIBYA'S CUSTOMERS? NATIONAL OIL SALES DURING
FIRST FOUR MONTHS 1975

REF: (A) TRIPOLI 156

(B) INTERNATIONAL OIL DEVELOPMENTS (ER IOD 75-24)
19 JUNE 1975, PAGE 6

1. LIBYA HAS BEEN SELLING INCREASING AMOUNTS OF ITS NATIONALIZED,
TAX-FREE CRUDE OIL ON WORLD MARKET. WHILE TOTAL CRUDE LIFTINGS
DURING FIRST QUARTER 1974 DROPPED TO 88,866,500 BBLS (987.4 TBPB)

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COMPARED TO 94,553,008 BBLS (1027.7 TBPB) DURING FINAL QUARTER 1974,

NATIONALIZED SALES FOR SAME TWO QUARTERS INCREASED FROM 19,657,800 BBLs (213.7 TBPd) TO 25,565,500 BBLs (284.1 TBPd) IN THE FIRST QUARTER OF 1975, A BPD INCREASE OF 32.9 PERCENT. NATIONALIZED SALES, WHICH CONSTITUTED 20.79 PERCENT OF TOTAL SALES IN THE EARLIER QUARTER, WERE 28.77 PERCENT OF THE TOTAL DURING THE FIRST THREE MONTHS OF 1975.

2. (FOR PURPOSES THIS MESSAGE, NATIONALIZED OIL SALES INCLUDE ALL LIBYAN NATIONAL OIL COMPANY LIFTINGS FROM RAS LANUF, BREGA AND SIDER TERMINALS, FOR WHICH WE HAVE CONSIGNEES, ALL LIFTINGS FROM HARIGA TERMINAL--THE FULLY NATIONALIZED BP PRODUCTION--FOR WHICH WE HAVE LITTLE CONSIGNEE DATA, AND NONE OF THE OIL LIFTED FROM ZUWEITENA TERMINAL. BUY-BACK OIL LIFTED BY COMPANIES IS NOT INCLUDED IN NATIONALIZED SALES FIGURES.)

3. NATIONALIZED OIL SALES, WHICH ARE MADE OUTSIDE OPEC TAX-PAID-COST FLOOR PRICE MECHANISM, ARE SUBJECT TO DISCOUNTING, AS TAX-PAID-COST OIL IS NOT. OIL INDUSTRY SOURCES HERE ESTIMATE THAT MOST OF THIS OIL IS SOLD MORE CHEAPLY THROUGH A VARIETY OF MEANS--FREIGHT OR PRICE REBATES, HIGHER PRICED IMPORTS TO LIBYA, LONGER CREDIT TERMS OR WHATEVER OTHER MEANS LIBYANS CAN EMPLOY TO INDUCE HIGHER SALES. SINCE PRODUCTION COST IS LESS THAN 10 PERCENT OF OFFICIAL SALES PRICE, DISCOUNTING OPTIONS CAN COVER WIDE SPREAD. ADDITIONALLY, GIVEN LIBYAN REGIME'S POLITICAL OUTLOOK, DISCOUNTING FAIRLY EASY WAY INCREASE POLITICAL INFLUENCE WITH CERTAIN COUNTRIES.

4. CONSIGNEES, NATIONALIZED LIBYAN CRUDE, FROM THREE TERMINALS, FINAL QUARTER 1974, FIRST QUARTER 1975, IN THOUSANDS OF BARRELS:

CONSIGNEE	FINAL QTR 1974	FIRST QTR 1975
BAHAMAS	3,175	2,814.4
SPAIN	2,971	3,497.8
ARGENTINA	2,196.2	2,504.9
BRAZIL	1,980.2	---
AUSTRIA	941	1,124
GHANA	428.3	1,141.2
YUGOSLAVIA	270	---
ZAIRE	256	465

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WEST GERMANY	---	1,509
FRANCE	---	381.6

TOTALS	12,217.7	13,437.9

SARIR (HARIGA PRODUCTION--CONSIGNEES UNDETERMINED:

7,440.1 12,127.6

GRAND TOTAL--SALES NATIONALIZED

CRUDE 19,657.8 25,565.5

5. NATIONALIZED OIL LIFTINGS FOR APRIL TOTALLED 8,296,500 BBLs
FOR A SLIGHT DECREASE IN DAILY PRODUCTION FROM 284.1 TBPd (FIRST
QUARTER) TO 276.5 TBPd (APRIL). NEW CUSTOMERS INCLUDED THE UNITED
STATES (481,500 BBLs) AND ITALY (1,114,100 BBLs). OTHER SALES WERE
TO FRANCE (1,070,900 BBLs), ARGENTINA (443,700 BBLs), SPAIN
(260,500 BBLs), ZAIRE (287,000 BBLs), GHANA (150,000 BBLs) AND
BAHAMAS (636,200 BBLs). SARIR (HARIGA) LIFTINGS TO UNDERTERMINED
CONSIGNEES TOTALLED 3,85,600 BBLs. SIMILARLY, NATIONALIZED
LIFTINGS AS A PERCENTAGE OF TOTAL SALES DROPPED DURING APRIL
TO 25.2 PERCENT.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN RELATIONS, PETROLEUM PRODUCTION, PETROLEUM INDUSTRY, PRICES
Control Number: n/a
Copy: SINGLE
Draft Date: 01 JUL 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE154758
Document Source: CORE
Document Unique ID: 00
Drafter: EB: JMDERHAM
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750227-0138
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750795/aaaadguf.tel
Line Count: 130
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 TRIPOLI 156
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 04 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 APR 2003 by Izenbel0>; APPROVED <02 OCT 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: WHO ARE LIBYA'S CUSTOMERS? NATIONAL OIL SALES DURING FIRST FOUR MONTHS 1975
TAGS: EALR, ENRG, LY
To: OECD PARIS
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006